

## GOVERNMENT FLEET CARD PROCEDURES

- 1. REASON FOR ISSUE:** This handbook prescribes procedures for use of the government fleet card.
- 2. SUMMARY OF CONTENTS/MAJOR CHANGES:** The government fleet card shall be used by VA Administrations and staff offices in accordance with procedures in this handbook. VA Administrations and staff offices are authorized to develop operational procedures to supplement this handbook.
- 3. RESPONSIBLE OFFICE:** Charge Card Oversight and Travel Policy Service (047E3), Office of the Deputy Assistant Secretary for Finance (047).
- 4. RELATED DIRECTIVE:** VA Directive 4090, Government Fleet Card Policy.
- 5. RESCISSIONS:** None.

**CERTIFIED BY:**

**BY DIRECTION OF THE SECRETARY OF  
VETERANS AFFAIRS:**

/s/  
Roger W. Baker  
Assistant Secretary for  
Information and Technology

/s/  
W. Todd Grams  
Acting Assistant Secretary for Management

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## GOVERNMENT FLEET CARD PROCEDURES

**1. PURPOSE.** This handbook prescribes procedures for use of the VA fleet card within the Department of Veterans Affairs (VA), in accordance with the policy published in VA Directive 4090.

### 2. PROCEDURES

**a. Scope.** These procedures apply to the VA fleet card issued by the contract bank for VA-owned or commercially leased vehicles. For purposes of this policy, a VA fleet vehicle is any VA-owned or commercially leased vehicle driven over the major roads (sedans, trucks, vans, sport utility vehicles, etc.) that requires a license plate and is not leased from the General Services Administration (GSA). Procedures for GSA-leased vehicles are not covered by this handbook.

#### **b. Internal Controls**

(1) All VA responsible offices/officials shall establish procedures to implement management controls for card use. Management controls include conducting periodic reviews of the government fleet card program to ensure all participants follow VA policies and procedures. Results of internal reviews shall be documented, and corrective actions shall be monitored to ensure that they are effectively implemented.

(2) All VA responsible offices/officials shall ensure that adequate internal controls are established and followed. At a minimum, internal controls must at least address the following:

(a) There must be a clear separation of duties for the authorization of VA fleet card transactions, making purchases, and reconciling fleet card transactions. For clarification, one person cannot perform more than one of these duties (e.g., the AOPC cannot also be the AO or facility fleet manager);

(b) Government fleet cards must be secured in a locked safe or storage unit (not in the vehicles or with vehicle operators when not in use), and card numbers shall only be available to authorized users;

(c) Billing statement reconciliations and certifications must be performed in a timely manner; all fleet transactions should be reconciled within 10 days of cycle close;

(d) Supporting documentation, receipts, packing slips, etc., must be maintained for 6 years and 3 months. Documents supporting a valid government need for a specific purchase must also be maintained. Supporting documents may be archived after 1 year to conserve space;

(e) Items purchased must be verified as received and fairly priced; and

(f) Charges must be verified as appropriate and for official government business.

**c. Standards of Conduct**

(1) Government employees and volunteers operating a VA-owned or leased vehicle holds a public trust, and their conduct must meet the highest ethical standards. Operators of a VA-owned or leased vehicle, both VA employees and volunteers, have a duty to protect and conserve government property. (See Office of Government Ethics, Standards of Conduct for Executive Branch Employees, Use of Government Property, 5 C.F.R. section 2635.704.)

(2) The Standards of Conduct, which apply to government fleet card users, further state that employees may not solicit or accept any gratuity, gift, favor, entertainment, loan, or anything of monetary value from any party doing business with or seeking to obtain business with VA. (5 C.F.R. section 2635.202) There are several exceptions to the general gift prohibition; however, an employee should seek ethics advice prior to accepting a gift given because of his or her position or from any party doing business with or seeking to obtain business with VA. Employees may seek ethics advice from their regional counsel or an ethics official at the Office of General Counsel (023).

**d. Unauthorized Use/Penalties**

(1) The government fleet card shall only be used to purchase fuel, repairs, or maintenance services on VA-owned or commercially leased vehicles. Under no circumstances is the card to be used for personal purchases or for GSA-leased vehicles.

(2) The single purchase limit for the fleet card must not exceed the micro-purchase threshold established by the Federal Acquisition Regulation (FAR).

(3) When using the government fleet card, a vehicle operator must comply with VA policies and procedures. Operators of a VA-owned or leased vehicle, both VA employees and volunteers, shall not use a government fleet card, or allow its use, for other than purposes authorized under this directive and handbook. Any violations of VA approval requirements, spending limitations, internal controls, or prohibitions are considered misuse of the fleet card. Misuse of the fleet card may be considered an attempt to commit fraud against the U.S. Government.

(4) The fleet card user will be personally liable to the government for the amount of any unauthorized transaction, and may be subject to criminal prosecution. Also, misuse of the fleet card may result in disciplinary action against the employee under applicable current VA and governmentwide administrative procedures, up to and including removal. (See VA Handbook 5021, Employee/Management Relations) Misuse of the fleet card perpetuated by volunteer operators may result in their removal from volunteer assignments.

(5) The Debt Collection Improvement Act of 1996 allows VA to recover from the employee the full cost of unauthorized purchases plus interest and administrative debt collection fees. VA will take all actions necessary to collect the debt, including salary offset, if necessary, in accordance with applicable VA and governmentwide administrative procedures.

**e. Training**

(1) Prior to obtaining a government fleet card with micro-purchase authority, all Agency/Organization Program Coordinators (A/OPC), approving officials (AO), and facility fleet managers must take the online VA Fleet Card training (*course# VA 5872*) on the use of the card. The course is located on VA's Learning Management System (LMS) at <https://www.lms.va.gov> and must be assigned as mandatory training. The A/OPC will certify on the Governmentwide Fleet Card Certification Form (VA 0242a) that the AO and the facility fleet manager have completed the VA Fleet Card Training and understand the policies and regulations associated with fleet cards. Both the written certification and training certificates must be retained and readily available.

(2) The facility fleet manager is responsible for training all vehicle operators (both volunteer and VA employee drivers) on the responsibilities of a fleet cardholder using the LMS training course, Responsibilities of Fleet Users (*course # VA 6110*). Vehicle operators must certify in writing that they understand the policies and procedures, and know the consequences of inappropriate actions. This written certification must be retained and readily available at the facility fleet manager's office.

(3) All A/OPCs, AOs, and facility fleet managers are required to complete refresher training (VA Fleet Card training, *course #VA 5872*) at least every 2 years. Completion of training can be validated through the presentation of a certificate, or through LMS reports. Validation must be readily available at the facility fleet manager's, AO's, or A/OPC's office for review. Failure to complete the required refresher training will result in revocation of duties as the A/OPC, AO, facility fleet manager, or vehicle operator, and possible administrative or disciplinary actions.

(4) All vehicle operators (both volunteer and VA employee drivers) are required to complete annual refresher training provided by the facility fleet manager. Failure to complete the required training will result in revocation of duties as a vehicle operator, possible administrative or disciplinary actions, and/or dismissal from volunteer assignments.

(5) Administrations, facilities, and staff offices may require additional training.

**f. Delegation of Authority.** The head of contracting activity will delegate micro-purchase authority to facility fleet managers in accordance with the Department of Veterans Affairs Acquisition Regulation (VAAR), part 801.

**g. Performance Standards.** Agency personnel responsible for critical duties such as reconciliation and certification of government fleet card charges will have applicable performance standards included in their official performance appraisal.

**h. Requirement for Timely and Accurate Reconciliation**

(1) Facility fleet managers shall reconcile transactions by verifying the accuracy of payment amounts and vendor names with records and receipts received from the drivers. Any improper, incorrect or fraudulent charges, or duplicate payments, must be reported to their AO,

and shall be handled promptly to ensure proper recovery. If the vendor is unresponsive, the payment shall be disputed promptly with the contracted bank. The facility fleet manager is ultimately responsible for ensuring that all fleet card transactions are proper. The AO is responsible for reviewing and certifying that all purchases are legitimate expenditures.

(2) Unless otherwise specified by VA Administration guidance, the verification process must be completed by the facility fleet manager within 10 working days of receipt of the monthly statement for subsequent AO review. Also, improper billing must be disputed within 30 calendar days of receipt of the monthly statement. The AO will certify all reconciled statements within 14 working days of receipt and forward corrections to the billing officer immediately. Administrations may define the timeliness requirements based upon their internal processes, but the contractual time limits of the card contractor for payment protest and recovery must always be met.

**i. Removing a Vehicle from Service.** When a vehicle is taken out of service the facility fleet manager will complete all order and payment reconciliations and notify the A/OPC to cancel the card.

**j. Exit Procedures for a Vehicle Operator.** Vehicle operators should not maintain possession of the government fleet card. The fleet cards should be secured by the station's facility fleet manager who is responsible for ensuring exiting drivers do not possess the fleet card when clearing the facility. The AO should also ensure all charges on the fleet card, by the exiting vehicle operator, are cleared.

**k. Prompt Payment Compliance.** Timely payments are essential to avoid the imposition of interest penalties. In accordance with the Prompt Payment Regulation, 5 Code of Federal Regulation (CFR), part 1315, section 1315.8, VA shall determine the VA fleet card payment dates based on an analysis of the total costs and benefits for the government as a whole, unless specified in a contract. When calculating costs and benefits, the agency is expected to include the costs to the government for paying early. Payment due dates may be calculated using the refund formula provided in the regulation, unless payment due dates are provided in the contract.

### 3. RESPONSIBILITIES

**a. Fleet Card Contractor (Bank).** The fleet card contractor is responsible for:

- (1) Issuing VA fleet cards;
- (2) Processing purchase transactions;
- (3) Providing the FSC with daily electronic invoices for all posted transactions;
- (4) Assisting in the preparation of fleet tax reclamation claims; and
- (5) Providing timely reports.



**b. Head of Contracting Activity (HCA).** The HCA is responsible for:

- (1) Delegating necessary purchasing authority to the facility fleet manager for the acquisition of fuel and maintenance of VA-owned and commercially leased vehicles; and
- (2) Auditing fleet card accounts and AOs for compliance with applicable policy and procedures, in conjunction with the program coordinator and finance/fiscal officer, in order to ensure procurement integrity.

**c. Program Coordinator (also known as Agency/Organization Program Coordinator (A/OPC)).** The program coordinator can serve as the Dispute Officer, but cannot be an AO or facility fleet manager. The program coordinator is responsible for:

- (1) Establishing fleet card accounts using the contracting bank's electronic access system. Cards must be set up to prompt the vehicle operator at the pump for the odometer reading;
- (2) Distributing cards to the facility fleet manager;
- (3) Performing maintenance for fleet card accounts, such as adjusting limits, changing default accounting codes, etc. using the contracting bank's electronic access system;
- (4) Establishing approving officials and facility fleet managers in the contractor's proprietary system;
- (5) Ensuring appropriate training has been provided to vehicle operators, facility fleet managers, AOs, and alternates, prior to issuance of fleet cards;
- (6) Canceling cards when notified by the facility fleet manager;
- (7) Being the designated point-of-contact for agency receipt of all fleet cards after initial setup, and following up on non-receipt of cards after 5 working days;
- (8) Coordinating and assisting with the joint review of fleet card accounts to ensure compliance with applicable policy and procedures, in conjunction with the finance/fiscal officer and head of contracting activity, to include reviewing transaction reports using the bank's electronic access system;
- (9) Routinely monitoring (monthly) fleet card transactions within their station to identify questionable transactions. When questionable transactions are flagged, the program coordinator will investigate these transactions and determine if there is any fraud, waste, or abuse. The coordinator should notify the individual's supervisor, Human Resources department, and/or the Office of the Inspector General regarding charge card misuse or abuse.

**d. Fleet Approving Official (AO).** The AO is responsible for:

(1) Recommending card limits (single purchase, monthly, quantity of transactions, etc.) in conjunction with the program coordinator, the billing officer and the head of the contracting activity. *(Limits should be based on expected activity. For example, refueling a vehicle averages \$75; the single purchase limit could be set at \$150. This would limit risk but allow for fluctuations in fuel prices.)*

(2) Monitoring use of the government fleet cards by the vehicle operators to ensure purchases are within guidelines and applicable documentation is maintained;

(3) Reviewing/approving account statements submitted by the facility fleet manager and making cost reallocations within 14 working days of cycle close;

(4) Ensuring federal, VA, and local acquisition regulations are followed;

(5) Certifying all procurements are legal and proper, and ensuring all items are received;

(6) Ensuring cards are canceled when vehicles are removed from service; and

(7) Providing guidance to vehicle operators in response to issues raised by use of the VA fleet card.

**e. Facility fleet manager.** The facility fleet manager is responsible for:

(1) Implementing the fleet management program to include contract compliance with the fleet card contractor's rules and regulations, and disseminating appropriate information to the billing and dispute officials;

(2) Retrieving and notifying the program coordinator when a card account needs to be canceled due to fraud, misuse, a vehicle being removed from service, or lost/stolen card;

(3) Notifying the program coordinator immediately when a card is lost or stolen;

(4) Securing VA fleet cards in a locked safe or storage unit when not in use;

(5) Ensuring drivers maintain a usage log or record for all fleet use;

(6) Ensuring the retention of receipts for all fleet card transactions for 6 years and 3 months;

(7) Reviewing receipts submitted by vehicle operators for accuracy, accountability, and possible misuse;

(8) Monitoring fleet card purchases for fraud, waste, or abuse by running transaction reports in the contracting bank's electronic access system;

(9) Reporting any misuse, fraud, or abuse of the fleet card to the AO and Program Coordinator (A/OPC);

(10) Reconciling statements and submitting them to the approving official using the contracting bank's electronic access system, and making cost reallocations within 10 working days of cycle close.

**f. Vehicle Operator (VA employee or volunteer).** The vehicle operator is responsible for:

(1) Completing training on proper use of the fleet card;

(2) Complying with all acquisition regulations;

(3) Being knowledgeable of and complying with single purchase and monthly card limits;

(4) Entering an accurate odometer reading at the pump when prompted;

(5) Providing the facility fleet manager the following information if a receipt is not available:

(a) Odometer reading

(b) Number of gallons

(c) Cost per gallon

(d) Type of fuel

(e) Total cost

(f) Description of the maintenance/repair purchased

(6) Ensuring receipt of goods ordered;

(7) Providing applicable receipts to the facility fleet manager to enable certification of payment;

(8) Completing and submitting vehicle trip logs to the facility fleet manager;

(9) Safeguarding the VA fleet card when in possession; not leaving fleet cards unattended in vehicles;

(10) Reporting lost/stolen fleet cards to the facility fleet manager immediately; and

(11) Addressing questions or issues concerning use of the fleet card to the facility fleet manager or approving official.

**g. Billing Officer.** In most cases, the billing officer is normally part of the finance/fiscal service. A billing officer cannot be an AO. The billing officer is responsible for:

- (1) Ensuring that single purchase and monthly purchase limits are within fund control limits;
- (2) Establishing default accounting code string and merchant codes for all VA fleet cards and submitting them to the program coordinator;
- (3) Ensuring refunds are credited to the correct appropriation;
- (4) Having final certifying authority on the legitimacy of any procured item; and
- (5) Collecting amounts from the vehicle operator for inappropriate procurements (if the goods cannot be returned for full credit) by using all applicable collection procedures, including salary offset.

**h. Dispute Officer.** A dispute officer can serve as a facility fleet manager, but cannot be an approving official. The dispute officer is responsible for:

- (1) Coordinating and monitoring disputed procurements, credits, and billing errors that cannot be resolved within 30 calendar days of receipt of the statement; and
- (2) Assisting or interceding when a dispute cannot be handled in the normal method using the fleet card dispute form.

**i. Finance/Fiscal Officer.** The finance/fiscal officer is responsible for:

- (1) Ensuring that refunds are credited to the correct appropriation;
- (2) Providing training to facility fleet managers and AOs on correct costing procedures, reconciliation procedures, and receipt records maintenance;
- (3) Being the final certifying authority on the legitimacy of any item procured; and
- (4) Reporting noncompliance to the appropriate management level for review and corrective action; and performing the joint review of fleet accounts and AOs to ensure compliance with applicable policy and procedures.

#### 4. REFERENCES

- a. Office of Management and Budget, Circular A-123, Appendix B.  
[http://www.whitehouse.gov/omb/assets/agencyinformation\\_circulars\\_pdf/a123\\_appendix\\_b.pdf](http://www.whitehouse.gov/omb/assets/agencyinformation_circulars_pdf/a123_appendix_b.pdf)
- b. Title 48, Chapter 8, Department of Veterans Affairs Acquisition Regulation.  
<http://www1.va.gov/oamm/oa/ars/policyreg/vaar/>

c. 5 Code of Federal Regulations (CFR), part 1315, Prompt Payment, effective date October 29, 1999. [http://ecfr.gpoaccess.gov/cgi/t/text/text-idx?c=ecfr&tpl=/ecfrbrowse/Title05/5cfr1315\\_main\\_02.tpl](http://ecfr.gpoaccess.gov/cgi/t/text/text-idx?c=ecfr&tpl=/ecfrbrowse/Title05/5cfr1315_main_02.tpl)

d. 5 CFR, part 2635, Office of Government Ethics, Standards of Conduct for Executive Branch Employees. [http://ecfr.gpoaccess.gov/cgi/t/text/text-idx?c=ecfr&tpl=/ecfrbrowse/Title05/5cfr2635\\_main\\_02.tpl](http://ecfr.gpoaccess.gov/cgi/t/text/text-idx?c=ecfr&tpl=/ecfrbrowse/Title05/5cfr2635_main_02.tpl)

e. 48 CFR, Federal Acquisition Regulation (FAR). <http://www.arnet.gov/far>